

EXCHANGE STABILIZATION FUND
STATEMENT OF FINANCIAL POSITION
As of April 30, 2020

ASSETS

<i>Fund Balance with Treasury</i>	(Note 1)		\$ 499,975,000,000.00
<i>Special Drawing Rights</i>			
Special Drawing Rights Holdings		50,193,883,188.49	
Accrued interest receivable on Special Drawing Rights holdings		40,940,078.07	
<i>Total Special Drawing Rights</i>			50,234,823,266.56
<i>US Government Securities</i>			
Investments in US Government Securities		12,689,152,146.70	
Accrued interest receivable on U.S. Gov't Securities		-	
<i>Total US Government Securities</i>			12,689,152,146.70
<i>Equity Investments</i>			
Commercial Paper Funding Facility (CPFF)	(Note 2)	10,000,000,000.00	
<i>Total Equity Investments</i>			10,000,000,000.00
<i>European Euros</i>	(Note 3)		
Deposits with Official Institutions		6,849,875,571.12	
Securities:			
Held outright		4,932,318,637.44	
Held under repurchase agreements		-	
Accrued interest receivable on Euro investments		44,450,369.26	
<i>Total European Euros</i>			11,826,644,577.82
<i>Japanese Yen</i>	(Note 3)		
Deposits with Official Institutions		7,989,756,966.15	
Securities		751,146,758.46	
Accrued interest on Yen investments		225,765.01	
<i>Total Japanese Yen</i>			8,741,129,489.62
TOTAL ASSETS			\$ 593,466,749,480.70

LIABILITIES AND CAPITAL

Liabilities

Special Drawing Rights Certificates		5,200,000,000.00	
Special Drawing Rights Allocations		48,255,346,262.88	
Accrued charges payable on SDR Allocations		39,358,429.17	
Due to Treasury		-	
TOTAL LIABILITIES	(Note 4, 5)		\$ 53,494,704,692.05
Capital			
Capital Account		500,175,000,000.00	
Retained Earnings		39,797,044,788.65	
TOTAL CAPITAL			\$ 539,972,044,788.65
TOTAL LIABILITIES AND CAPITAL			\$ 593,466,749,480.70

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	Current Month	Fiscal Year
INCOME and EXPENSE		
<i>Special Drawing Rights</i>		
Net interest (charges) on Special Drawing Rights	\$ (321,297.22)	\$ 6,117,526.07
Net gain (loss) on SDR valuation	2,272,499.67	3,268,716.63
<i>U.S. Government securities</i>		
Interest earned on U.S. Government Securities	1,584,460.71	164,692,479.30
<i>Foreign Exchange</i>		
Interest earned (incurred) on Foreign Currency Denominated Assets	(3,137,056.66)	(22,371,339.52)
Net gain (loss) on Sales of Investment Securities and Foreign Currency Denominated Assets	-	-
Net gain (loss) on Foreign Exchange valuation (Note 6)	(40,757,224.62)	126,293,040.91
Other	<u>(2,455.86)</u>	<u>(19,412.92)</u>
Net Income (Loss)	<u><u>\$ (40,361,073.98)</u></u>	<u><u>\$ 277,981,010.47</u></u>

EXCHANGE STABILIZATION FUND
NOTES TO THE FINANCIAL STATEMENTS
As of April 30, 2020

1. Section 4027 of H.R. 748, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), enacted on March 27, 2020 as Pub. Law 116-136, appropriated \$500 billion to the Exchange Stabilization Fund (ESF), which the Secretary of the Treasury (Secretary) is authorized to use to make loans, loan guarantees, and other investments in support of eligible businesses, States, and municipalities and to provide the subsidy amounts necessary for such loans, loan guarantees, and other investments in accordance with the provisions of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.). This appropriated balance is held as a fund balance with Treasury until disbursed. \$25 million of the appropriated balance was transferred to the Special Inspector General account in accordance with Section 4018 of the CARES Act.
2. The Commercial Paper Funding Facility (CPFF) was established by the Board of Governors of the Federal Reserve System under section 13(3) of the Federal Reserve Act. On April 13, 2020, the U. S. Department of the Treasury (Treasury), as preferred equity member, entered into the Amended and Restated Limited Liability Company Agreement of Commercial Paper Funding Facility II LLC (CPFF SPV) with the Federal Reserve Bank of New York, as managing member. Under this agreement, on April 13, 2020 Treasury made a \$10 billion equity contribution to the CPFF SPV using funds from the ESF.
3. The ESF carries several long-term instruments in its portfolio. Some of these instruments may have been purchased at a premium and others may have been purchased at a discount. These instruments are reported at cost. Cost is reflected as a face amount paid for the instrument plus any unamortized premium paid and less any unaccrued discount received. Premiums (which are amortized) and discounts (which accrete) are allocated to expense (amortization expense) and revenue, respectively, over the life of the instrument.
4. The ESF has an exchange stabilization agreement with Mexico for \$9 billion; this agreement was modified and renewed in November 2019 for an additional year. No drawings were outstanding under this agreement.
5. The Secretary sent letters dated April 8, 2020 to the Chair of the Board of Governors of the Federal Reserve System committing to provide equity investments to special purpose vehicles established in connection with the Primary and Secondary Market Corporate Credit Facility (\$75 billion), the Main Street Lending Program (\$75 billion), and the Municipal Liquidity Facility (\$35 billion), each of which was established by the Board of Governors of the Federal Reserve System under section 13(3) of the Federal Reserve Act.
6. Foreign currency denominated assets and liabilities are revalued daily -- and reported monthly -- to reflect fluctuations in market exchange rates. These fluctuations in market exchange rates are reported in the Statement of Income as "Net gain (loss) on valuation." This gain or loss is unrealized to the Exchange Stabilization Fund until such time as the Fund sells the currency.